

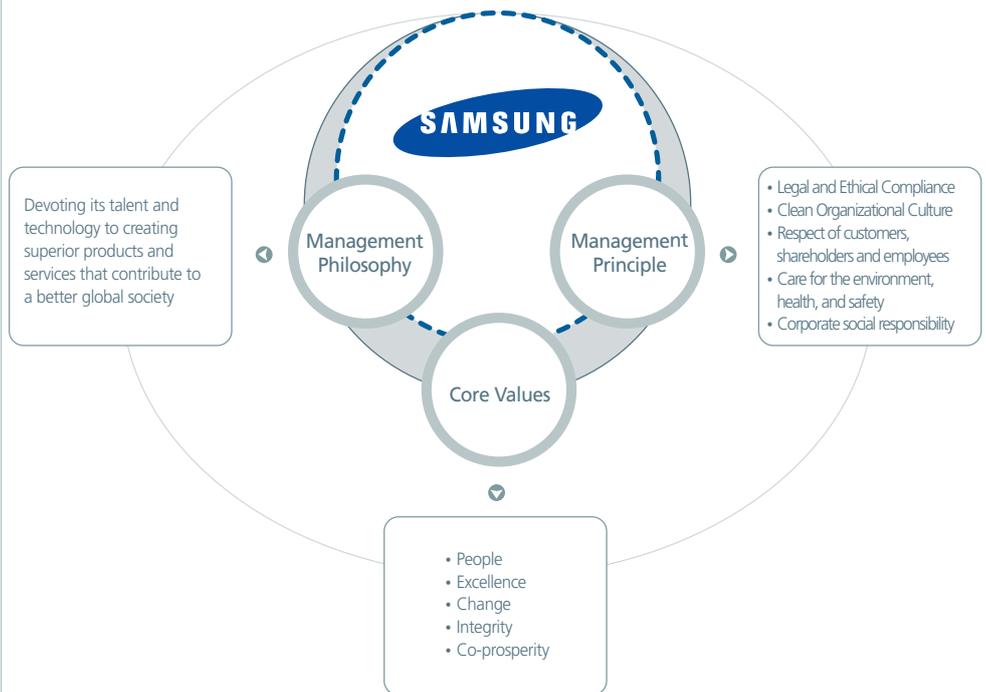
Corporate Ethics



As a global company with approximately 160,000 employees and operations in 61 countries worldwide, Samsung Electronics is fully committed to complying with local laws and regulations as well as applying a strict global code of conduct to all employees. It believes that ethical management is not only a tool for responding to the rapid changes in the global business environment, but also a vehicle for building trust with its various stakeholders including customers, shareholders, employees, business partners, and local communities. With an aim to become one of the most ethical companies in the world that is respected by its stakeholders, Samsung Electronics continues to train its employees and operate monitoring systems, while practicing fair and transparent corporate management.

● Values & Code of Conduct

Samsung Electronics endeavors to become a world leading company by following its management philosophy of “Devoting its talent and technology to creating superior products and services that contribute to a better global society.” Samsung Electronics’ value chain of “Management Philosophy, Core Values and Management Principles” is rooted in this management philosophy and constitutes the spiritual guidelines for all its employees in their effort to realize the corporate vision of being a world leader.



In an expression of its commitment to corporate social responsibility as a world leading company, Samsung Electronics announced the “Five Samsung Business Principles” in 2005. The principles serve as the foundation for its global code of conduct in compliance with legal and ethical standards and the fulfillment of its corporate social responsibilities.

The global code of conduct sets forth detailed behavioral guidelines and judgmental standards for Samsung Electronics’ employees as members of a world leading company. The code of conduct includes elimination of nationality or gender discrimination, transparent disclosure of business information, customer information protection and partner collaboration. All of Samsung Electronics employees will abide by this code of conduct in their relationship with their peers and customers.

Samsung Electronics Global Code of Conduct

I. Preface

II. Samsung Electronics Global Code of Conduct

Principle 1.

We comply with all laws and ethical standards.

- 1-1. We respect the dignity and diversity of individuals.
- 1-2. We compete in accordance with the law and business ethics.
- 1-3. We maintain transparency of accounts with accurate recording of transactions.
- 1-4. We do not get involved in politics and maintain neutrality.
- 1-5. We protect information on individuals and business partners.

Principle 2.

We maintain a clean organizational culture.

- 2-1. We make a strict distinction between public and private affairs in our duties.
- 2-2. We protect and respect the intellectual properties of the company and others.
- 2-3. We create a sound organizational atmosphere.
- 2-4. We maintain the dignity of Samsung Electronics in our external activities.

Principle 3.

We respect customers, shareholders and employees.

- 3-1. We put priority on customer satisfaction in management activities.
- 3-2. We pursue management focused on shareholder value.
- 3-3. We endeavor to improve our employees' quality of life.

Principle 4.

We care for the environment, health, and safety.

- 4-1. We pursue environment friendly management.
- 4-2. We value the health and safety of human beings.

Principle 5.

We are a socially responsible corporate citizen.

- 5-1. We sincerely execute our basic responsibilities as a corporate citizen.
- 5-2. We respect the social and cultural values of local communities and practice prosperous co-existence.
- 5-3. We build relationships of co-existence and co-prosperity with our business partners.

'Appendix' Obligation to observe code of conduct

Ethical Management Organization & Programs

■ Audit System

Samsung Electronics operates an independent audit team to monitor and encourage the ethics practice of the company and its employees. Consisting of experts with more than 10 years of experience in a number of fields, the team utilizes various systems and networks for the efficient auditing of the large-scale organization.

■ Cyber Auditors

The Cyber Audit program was launched in 2002 to incorporate integrity into the corporate culture of both domestic and overseas businesses of Samsung Electronics. The web-based portal is now available in five languages including English, Russian, Japanese, Chinese and Bahasa Malaysian and will be further expanded in the future.

The program not only encourages the employees' compliance with the Code of Conduct but also provides behavioral guidelines and defines corruption. It also serves as an online vehicle for the direct reporting of corruption and other irregular activities allowing access for all stakeholders. Reporting can also be made via phone or fax.

■ Anti-Corruption Education Program

Samsung Electronics conducts regular anti-corruption education programs for all employees to encourage them to practice ethics in the fulfillment of their daily duties. We produce and distribute educational videos in 22 different languages to help all the locally-hired employees in its overseas plants to fully understand Samsung's Global Code of Conduct. The video contents include the rationale for its Code of Conduct and its five principles, real life infringement cases, related documents, how to access the Cyber Audit program and how to report violations.

■ Audit Committee

The Audit Committee is an independent committee under the Board of Directors to support and monitor management in its efforts to maximize corporate values. Its duties include auditing internal accounting functions, evaluating the job performance of directors, requesting submission of operating reports and convocation of the General Shareholders Meeting.

